STATE BONDING FUND INVESTMENT PERFORMANCE REPORT AS OF MAY 31, 2004

																					Current	Prior Year	3 Years	5 Years
	May-04 Allocation Month			April-04 Allocation Month			March-04 Allocation Quarter			December-03 Allocation Quarter				September-03 Allocation Quarter				FYTD	FY03	Ended 6/30/2003	Ended 6/30/2003			
	Market Value			Net ROR	Market Value	Actual			Market Value	Actual		Net ROR	Market Value			Net ROR	Market Value			Net ROR	Net	Net	Net	Net
LARGE CAP DOMESTIC EQUITY Structured Growth																								
Los Angeles Capital	90,318	2.3%	2.3%	1.48%	89,044	2.2%	2.3%	-0.54%	93,581	2.3%	2.3%	-0.34%	92,862	2.4%	2.3%	9.12%	85,073	2.3%	2.3%	N/A	N/A	N/A	N/A	N/A
AllianceBernstein	0	0.0%	0.0%	N/A	0	0.0%	0.0%	N/A	0	0.0%	0.0%	N/A	-	0.0%	0.0%	N/A	-	0.0%	0.0%	N/A	N/A	-1.88%	-21.24%	-6.07%
Total Structured Growth	90,318	2.3%	2.3%	1.48%	89,044	2.2%	2.3%		93,581	2.3%	2.3%	-0.34%	92,862	2.4%	2.3%	9.12%	85,073	2.3%	2.3%		15.23%	-1.88%	-21.24%	-6.07%
Russell 1000 Growth				1.86%				-1.16%				0.79%				10.41%				3.92%	16.43%	2.94%	-21.54%	-5.03%
Structured Value	90 500	2 20/	2.3%	0 EE9/	90.034	2.2%	2.3%	2 200/	92,584	2.3%	2 20/	6.22%	93.798	2.4%	2 20/	45 669/	04 202	2 20/	2.3%	2 7E9/	25 420/	-2.25%	0.040/	2 720/
Russell 1000 Value	89,560	2.3%	2.3%	0.55% 1.02%	89,034	2.2%	2.3%	-2.38% -2.44%	92,584	2.3%	2.3%	3.03%	93,798	2.4%	2.3%	15.66% 14.19%	81,203	2.2%	2.3%	3.75% 2.06%	25.12% 18.34%	-2.25% -1.02%	8.84% -0.19%	3.73% 1.05%
Russell 1000 Enhanced Index				1.0270				2.7770				0.0070								2.0070	70.0770	7.0270	0.7070	1.0070
LA Capital	186,950	4.7%	4.5%	1.49%	184,142	4.6%	4.5%	N/A	-	0.0%	0.0%	N/A	-	0.0%	0.0%	N/A	-	0.0%	0.0%	N/A	N/A	N/A	N/A	N/A
Russell 1000	,			1.44%	,			-1.81%				N/A				N/A				N/A	N/A	N/A	N/A	N/A
S&P 500 Enhanced Index																								
Westridge	182,266	4.6%	4.5%	1.38%	179,558	4.5%	4.5%	N/A	-	0.0%	0.0%	N/A	-	0.0%	0.0%	N/A	-	0.0%	0.0%	N/A	N/A	N/A	N/A	N/A
S&P 500				1.37%				-1.57%				N/A				N/A				N/A	N/A	N/A	N/A	N/A
Index																								
State Street Transition Account	41,917			1.37% N/A	41,351 187			-1.57% N/A	37,267 376,598			1.68% N/A	420,301 N/A			12.16% N/A	374,694 N/A			2.64% N/A	16.78% N/A	0.23% N/A	-11.28% N/A	-1.69% N/A
Total Index	41,917	1.1%	1.5%	1.37%	41,537	1.0%	1.5%	-1.57%	413,865	10.2%	10.5%	1.68%	420,301	10.7%	10.5%	12.16%	374,694	10.0%	10.5%	2.64%	16.78%	0.23%	-11.28%	-1.69%
S&P 500	,	,	11070	1.37%	,	110 / 0	11070	-1.57%	110,000	10.270	101070	1.69%	.20,001	1011 70	101070	12.18%	01 1,00 1	10.070	101070	2.64%	16.84%	0.25%	-11.20%	-1.62%
TOTAL LARGE CAP DOMESTIC EQUITY	591,010	14.9%	15.0%	1.30%	583,315	14.7%	15.0%	-2.22%	600,031	14.8%	15.0%	2.91%	606,962	15.4%	15.0%	12.20%	540,970	14.5%	15.0%	3.15%	17.97%	-0.48%	-9.33%	-1.90%
S&P 500	00.,0.0		101070	1.37%	000,010	, 0	101070	-1.57%	000,007	1 11070	101070	1.69%	000,002	101170	70.070	12.18%	0.0,0.0	1 110 70	70.070	2.64%	16.84%	0.25%	-11.20%	-1.62%
SMALL CAP DOMESTIC EQUITY																								
Manager-of-Managers	407.070	= 00/	5.00 /	4.070/	405.000	4.007	= 00/	5 000/	04400=	= 00 /	5.00 /	0.040/	225 224	= aa/	= 00/	44.000/	4=0.00=	4.007	= 00/	0.4007	00.000/	0.000/		
SEI Russell 2000 + 200bp	197,278	5.0%	5.0%	1.07% 1.76%	195,298	4.9%	5.0%	-5.02% -4.93%	214,337	5.3%	5.0%	6.61% 6.78%	205,804	5.2%	5.0%	14.82% 15.07%	179,207	4.8%	5.0%	9.48% 9.60%	28.66% 30.28%	0.09% 0.36%	N/A N/A	N/A N/A
·	197.278	E 00/	E 00/		405 200	4.00/	E 00/	-5.02%	244 227	E 20/	E 00/		205 904	E 20/	E 00/		470 207	4 00/	E 00/		28.66%	0.09%		1.64%
TOTAL SMALL CAP DOMESTIC EQUITY Russell 2000	197,278	5.0%	5.0%	1.07% 1.59%	195,298	4.9%	5.0%	-5.10%	214,337	5.3%	5.0%	6.61% 6.26%	205,804	5.2%	5.0%	14.82% 14.52%	179,207	4.8%	5.0%	9.48% 9.07%	27.97%	-1.63%	-3.49% -3.30%	0.97%
CONVERTIBLES TCW	401,147	10.1%	10.0%	1.51%	396,213	10.0%	10.0%	2 00%	414,944	10.20/	10.0%	2.50%	404,853	10 20/	10.0%	9.98%	368,085	9.8%	10.0%	1.85%	13.17%	10.23%	-9.51%	3.90%
First Boston Convertible Index	401,147	10.170	10.070	0.64%	030,210	10.070	10.070	-1.93%	414,544	10.270	10.070	2.57%	404,000	10.070	10.070	8.54%	500,005	3.070	10.070	2.67%	12.81%	15.46%	-3.77%	5.29%
INTERNATIONAL EQUITY																								
Large Cap - Active																								
Capital Guardian	328,083	8.2%	8.0%	-1.07%	342,436	8.6%	8.0%	-0.62%	341,459	8.4%	8.0%	3.50%	328,754	8.3%	8.0%	13.03%	293,175	7.8%	8.0%	8.14%	24.39%	-10.31%	-15.85%	0.02%
MSCI EAFE - 50% Hedged				-0.57%				-0.53%				4.09%				13.15%				6.58%	24.15%	-11.24%	-15.51%	-5.33%
Small Cap - Value																								
Lazard	36,129	0.9%	1.0%	0.54%	31,333	0.8%	1.0%	-0.10%	45,866	1.1%	1.0%	8.63%	42,104	1.1%	1.0%	14.50%	39,792	1.1%	1.0%	9.92%	37.32%	N/A	N/A	N/A
Citigroup Broad Market Index < \$2BN				-1.40%				-3.20%				12.80%				13.31%				15.95%	41.45%	N/A	N/A	N/A
Small Cap - Growth																								
Vanguard	34,608	0.9%	1.0%	-1.15%	30,527	0.8%	1.0%	-1.98%	43,063	1.1%	1.0%	10.37%	45,179	1.1%	1.0%	14.06%	38,606	1.0%	1.0%	14.95%	40.22%	N/A	N/A	N/A
SSB BROAD MARKET INDEX < \$2BN	,,,,,			-1.40%	, .			-3.20%	.,			12.80%	.,			13.31%	,			15.95%	41.45%	N/A	N/A	N/A
TOTAL INTERNATIONAL EQUITY	398,821	10.0%	10.0%	-0.95%	404,296	10.2%	10.0%	-0.70%	430,388	10.6%	10.0%	4.76%	416,037	10.6%	10.0%	13.28%	371,574	9.9%	10.0%	8.97%	27.19%	-9.20%	-15.51%	0.27%
MSCI EAFE - 50% Hedged				-0.57%				-0.53%				4.09%				13.15%				6.58%	24.15%	-11.24%	-15.51%	-5.33%
DOMESTIC FIXED INCOME																								
Core Bond																								
Western Asset	689,611	17.3%	16.7%	-0.41%	936,872	23.5%	16.7%	-2.41%	1,020,706	25.2%	25.0%	2.96%	993,545	25.2%	25.0%	1.62%	973,882	26.0%	25.0%	-0.16%	1.53%	12.77%	11.23%	8.12%
Lehman Aggregate				-0.40%				-2.60%				2.66%				0.32%				-0.14%	-0.24%	10.39%	10.07%	7.54%
Index																								
Bank of ND	900,029	22.6%	25.0%	-0.45%	674,410	17.0%	25.0%	-2.36%	561,648	13.8%	15.0%	3.01%	532,410	13.5%	15.0%	0.07%	532,752	14.2%	15.0%	-0.46%	-0.28%	13.26%	10.87%	7.78%
Lehman Intermediate Gov/Credit (1)				-0.45%				-2.37%				3.08%				-0.03%				-0.50%	-0.35%	13.14%	10.82%	7.83%
BBB Average Quality	384.717	9.7%	8.3%	0.000/	377.013	0.50/	8.3%	-3.16%	413.896	40.00/	40.00/	2 200/	411.262	10.4%	40.00/	1.46%	408.258	40.00/	10.0%	0.000/	0.62%	17.91%	N/A	N/A
Strong Lehman US Credit BAA	304,717	9.7%	0.3%	-0.88% -0.81%	377,013	9.5%	0.3%	-3.10%	413,090	10.2%	10.0%	3.30% 3.41%	411,202	10.4%	10.0%	1.22%	400,230	10.9%	10.0%	0.02%	0.62%	18.33%	N/A N/A	N/A N/A
Edinian 66 Great Brot				0.0170				O.22 /0				0.4170				1.22/0				0.2770	0.7070	10.0070	7471	7471
TOTAL DOMESTIC FIXED INCOME	1,974,357	49.6%	50.0%	-0.51%	1,988,296	50.0%	50.0%	-2.55%	1,996,250	49.2%	50.0%	3.05%	1,937,217	49.2%	50.0%	1.15%	1,914,892	51.2%	50.0%	-0.21%	0.85%	13.18%	10.80%	7.81%
Lehman Gov/Credit				-0.51%				-3.07%				3.08%				-0.03%				-0.50%	-1.12%	13.14%	10.82%	7.83%
CASH EQUIVALENTS																								
Bank of ND	414,648	10.4%	10.0%	0.11%	411,093	10.3%	10.0%	0.09%	400,415	9.9%	10.0%	0.29%	370,039	9.4%	10.0%	0.29%	364,833	9.8%	10.0%	0.30%	1.09%	1.57%	3.26%	4.15%
90 Day T-Bill	,			0.09%	,			0.08%	, .			0.24%				0.26%	,			0.25%	0.92%	1.52%	3.33%	4.08%
TOTAL DONDING FOR	0.6== 0.5	400.00	400.00	0.0501	0.070.51	400.004	400.000	0.0101	4.050.005	400.007	100.00	0.000	0.040.04	400.000	400.00	F 0=0	0 700 50-	400.007	400.00	4 0=0	0.0401	= ====	4 040:	4.000
TOTAL BONDING FUND POLICY TARGET BENCHMARK	3,977,261	100.0%	100.0%	0.05% 0.04%	3,978,510	100.0%	100.0%	-2.21% -2.26%	4,056,365	100.0%	100.0%	2.96% 2.80%	3,940,911	100.0%	100.0%	5.37% 4.65%	3,739,560	100.0%	100.0%	1.97% 1.59%	8.24% 6.86%	7.52% 7.25%	1.61% 2.20%	4.90% 4.57%
, OLIOT TANGET BENGHIVIARA				0.04/0	L			-2.20/0				2.00%				7.00%	l			1.09/0	0.00%	1.20%	Z.ZU /0	4.07 /0

NOTE: Monthly returns and market values are preliminary and subject to change.

(1) Prior to April 1, 2004, the benchmark was the LB Govt/Credit index.